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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 2, 2016

Ken George
Holcim (US) Inc.
6055 East Croydon Road
Morgan, Utah 84050

Subject: First Review of Modified Notice of Intention to Commence Large Mining Operations, Holcim (US) Inc., Poverty Point Mine, M/045/0012, Tooele County, Utah

Dear Mr. George:

The Division of Oil, Gas and Mining has reviewed the submittal received on February 5, 2016, regarding the Notice of Intention to Commence Large Mining Operations (NOI), and the following items will need to be addressed before the NOI can be determined complete:

1. Based on the cost discrepancy between the current reclamation surety held by the Division (\$174,100) and the proposed surety, the Division needs to receive an interim surety until the NOI is fully updated and the reclamation cost estimate is finalized. Please include the indirect costs shown as discussed below and show on worksheets available from the Division's web site (lah). **Please submit the additional surety by June 2, 2016.**
2. The reclamation cost estimate needs to include indirect costs and escalation, as per the "Bond Total Worksheet" on the Division's web page. The current rate is 26.8% (whw) plus 0.7 percent per year escalation.
3. Please include the changes to the text, additional maps and appendixes as per R647-4 (lah). **Please submit the changes by July 7, 2016.**

Please provide your response as replacement pages to the NOI, using form MR-REV, available on the Division's web page at www.ogm.utah.gov.

Please call Leslie Heppler at 801-538-5257 or me at 801-538-5261 if you have questions regarding this letter. In reply, please refer to file number M/045/0012. Thank you for your cooperation.

Sincerely,

Paul B. Baker
Minerals Program Manager

PBB: lah: eb
cc: Andy Bedingfield, SITLA (abedingfield@utah.gov)
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